GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:91
ANSWERED ON:23.11.2001
DIRECT AND INDIRECT TAX COLLECTION
GADDE RAMAMOHAN;M.V.V.S MURTHI

Will the Minister of FINANCE be pleased to state:

(a) whether the actual direct and indirect tax collection was well below the set target during the first six months of the current financial year;

(b) if so, the actual shortfall in tax collection, tax-wise details with reasons therefor;

(c) whether the existing policy to collect tax is ineffective and needs radical changes; and

(d) if so, the details of the changes proposed to be made to bring in an effective tax regime?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) - (d): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A)-(D) OF LOK SABHA STARRED QUESTION No. 91 (POSITION NO. ' FOR ANSWER ON 23RD NOVEMBER, 2001.

(a) Targets for tax collection are fixed for the whole financial year. Tax collection during the first six months of the current financial year has provisionally amounted to Rs. 77422 crores, as compared to a collection of Rs. 82539 crores in the corresponding period of previous year.

(b) The details are as follows:

(Rs. in crore)

	Collection. during April-Sept, 2000	Collection during April-Sept, 2001	% age change over 2000-2001
Central Excise	30951.51	31365.79	1.34
Customs duty	23331.75	19581.43	-16.07
Other Indirect Taxes	1715.15	1924.57	12.21
Corporation Tax	13450.33	11487.96	-14.59
Income tax	12938.91	12885.00	-0.42
Other direct Taxes.	151.53	177.25	16.97
Total	82539.18	77422.00	-6.20

Excise duty collections have been affected by the lower growth in certain sectors of the economy and increase in the exemption limit of Small Scale Industries. The sluggish growth in importsand abolition of 10 % surcharge on imports have affected the customs revenue. Direct tax collection is lower due to increased amount of refunds.

(c) No, Sir.

(d) Does not arise.